

**WITHHOLDING TAX ALLOWANCE**  
**EMPLOYEE AGREEMENT**

Name: \_\_\_\_\_

Reporting Date: \_\_\_\_\_

Office Phone Number: (\_\_\_\_) \_\_\_\_\_

**Background**

Certain relocation expense reimbursements are taxable income. To avoid having a relocating employee pay for this additional tax liability, a supplemental benefit payment is made to relocatees, called "Withholding Tax Allowance" (WTA). The WTA is calculated to offset the 25% Federal income tax withholding on supplemental income mandated by Federal law. This is an estimated amount. If your total income for the year causes the supplemental relocation income to be taxed at a rate lower than 25%, you may have received too much WTA. The estimate is reviewed after you have filed your individual income tax returns for the year and a recalculation is performed to determine if your WTA was an overestimate or underestimate of the actual tax liability that you incurred on the taxable relocation benefits. This recalculation may result in an additional benefit payment to you, called "Relocation Income Tax Allowance" (RITA), or may result in a debt which you will owe to Public Debt for any overpayment of the WTA.

**Employee Statement**

I understand that overpayment of the WTA may occur, and I agree to repay any excess amount to Public Debt within 30 days of being notified of overpayment.

I agree to submit required certified tax information by March 15th of the year following the year the WTA is paid so the RITA can be calculated to determine if I am due further payment or if an excess payment was made.

I understand that failure to submit the RITA information will result in the entire WTA being considered an excess payment.

\_\_\_\_\_  
(Employee Signature)

\_\_\_\_\_  
(Date)